

Special Purpose Accounts for the Tūpuna Maunga o Tāmaki Makaurau Authority

(Co-governed by Ngā Mana Whenua o Tāmaki Makaurau and Auckland Council)
Annual Financial Report
For the year ended 30 June 2019

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Special Purpose Accounts for the Tūpuna Maunga o Tāmaki Makaurau Authority

For the year ended 30 June 2019

Legal Name of Entity:	Tūpuna Maunga o Tāmaki Makaurau Authority (Tūpuna Maunga Authority)
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Type of Entity and Legal Basis:	Administering body over the maunga of Tāmaki Makaurau. Established by the Ngā Mana Whenua o Tāmaki Makaurau Collective Redress Act 2014 (Redress Act).
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Entity's Purpose or Mission:

The Ngā Mana Whenua o Tāmaki Makaurau Collective Redress Settlement vested the Crown-owned land in 14 Tūpuna Maunga ("Maunga") in Ngā Mana Whenua o Tāmaki Makaurau, on the basis they would be held in trust by the Tūpuna Taonga o Tāmaki Makaurau Trust ("Tūpuna Taonga Trust") for the common benefit of the iwi/hapū of Ngā Mana Whenua o Tāmaki Makaurau and the other people of Auckland. The Tūpuna Maunga are vested as reserves.

The Tūpuna Maunga Authority is responsible as the administering body for the Tūpuna Maunga.

The Tūpuna Maunga Authority was established by legislation and commenced operations on 28 August 2014.

Auckland Council is responsible for routine management of the Maunga and the administered land and must carry out this responsibility under the direction of the Tūpuna Maunga Authority. This means that all income and expenditure for the Maunga is received and incurred by Auckland Council. These special purpose accounts represent that income and expenditure.

Entity Structure:

The Tūpuna Maunga Authority has six representatives from Ngā Mana Whenua o Tāmaki Makaurau and six representatives from the Auckland Council. The chairperson is elected by Ngā Mana Whenua o Tāmaki Makaurau representatives. The deputy chair is elected by Auckland Council appointees.

A non-voting Crown representative is appointed by the Minister for Arts, Culture and Heritage for a three year term, which can be extended for any period with the agreement of all parties.

The Maunga Operational Plan has been adopted. Where ownership under the Redress Act has been transferred from the Crown to the Tūpuna Taonga Trust or where administration of Crown-owned Maunga has been transferred, administration of the Maunga is through the Tūpuna Maunga Authority and routine management is undertaken by Auckland Council.

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Sources of the Entity's Cash and Resources:

Income is received from leases and events. Auckland Council is responsible for costs and is required to fulfil this responsibility to the extent that funding and revenue for the Maunga and the administered lands allow. Funding is approved via Auckland Council's long-term and annual plans.

Additional Information:

The information contained in these special purpose accounts is to report income and expenditure received and incurred by Auckland Council on behalf of the Tūpuna Maunga Authority and for the routine management of the Maunga. Auckland Council must apply funding under the direction of the Tūpuna Maunga Authority and in accordance with the Annual Operational Plan. The 2018/19 Operational Plan was adopted on 28 June 2018.

Contact details

Physical Address:	c/o Auckland Council 135 Albert St, Auckland Attention: Dominic Wilson (Lead Officer Tūpuna Maunga o Tāmaki Makaurau Authority)
Postal Address:	c/o Auckland Council Private Bag 92300 Victoria Street West
Phone/Fax:	Phone: 09 301 0101 Fax: 09 301 0100
Email/Website:	http://www.maunga.nz

Board members as at 30 June 2019

Chair:	Paul Majurey	Ngā Mana Whenua o Tāmaki Makaurau (Marutūāhu Rōpū)
Deputy Chair:	Cr Alf Filipaina	Auckland Council
Members	Cr Dr Cathy Casey	Auckland Council
	Glenda Fryer	Auckland Council
	Hauāuru Rawiri	Ngā Mana Whenua o Tāmaki Makaurau (Marutūāhu Rōpū)
	Joe Pihema	Ngā Mana Whenua o Tāmaki Makaurau (Ngāti Whātua Rōpū)
	Cr Josephine Bartley	Auckland Council
	Josie Smith	Ngā Mana Whenua o Tāmaki Makaurau (Waiohua-Tāmaki Rōpū)
	Karen Wilson	Ngā Mana Whenua o Tāmaki Makaurau (Waiohua-Tāmaki Rōpū)
	Kit Parkinson	Auckland Council
	Lemauga Lydia Sosene	Auckland Council
	Malcolm Paterson	Ngā Mana Whenua o Tāmaki Makaurau (Ngāti Whātua Rōpū)
Colin Holden (non-voting member)	Crown Representative	

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Statement of Income and Expenditure For the year ended 30 June 2019

	Note	Actual This year \$	Actual Last year \$
Revenue	1		
Council funding		2,963,591	2,952,378
Lease income		259,160	233,348
Event income		5,096	5,470
Total revenue		3,227,847	3,191,196
Expenses	2		
Employee related costs		594,940	529,046
Repairs and maintenance		2,202,002	2,075,543
Professional services		350,371	438,796
Other expenses		80,534	147,811
Total expenses		3,227,847	3,191,196
Surplus/(deficit)*		-	-

* For the purpose of the special purpose accounts, the council's funding corresponds to the Tūpuna Maunga Authority's net expenditure therefore no surplus or deficit is presented.

Special Purpose Accounts for the Tūpuna Maunga o Tāmaki Makaurau Authority

Statement of Accounting Policies For the year ended 30 June 2019

Basis of preparation

This financial report is a special purpose report that reflects the current understanding of Auckland Council's ("the council") reporting requirements for the Tūpuna Maunga o Tāmaki Makaurau Authority ("Tūpuna Maunga Authority") under the Ngā Mana Whenua o Tāmaki Makaurau Collective Redress Act 2014.

The council is responsible for the routine management of the Maunga and the administered land and must carry out this responsibility under the direction of the Tūpuna Maunga Authority and in accordance with the annual operational plan, any standard operating procedures between the Tūpuna Maunga Authority and council and any delegations made to council.

The Tūpuna Maunga Authority was established on 28 August 2014. The amounts presented are extracted from the council's accounting records in relation to the work of the Tūpuna Maunga Authority as the administering body of the Maunga and administered land. This report is designed to provide information about the current period's income and expenditure and the policies applied to prepare the reported results.

Goods and services tax (GST)

All amounts are recorded exclusive of GST.

Council funding

The Tūpuna Maunga Authority and the council must agree an Annual Operational Plan to provide a framework and funding in which the council will carry out its functions for the year. Each annual operational plan must be:

- a) Agreed before commencement of the financial year to which it relates; and
- b) Prepared and adopted concurrently with the council's annual plan; and
- c) Included in the council's annual plan in summary form.

The council's annual operational funding is recognised as the Tūpuna Maunga Authority revenue in these financial statements to a maximum of net expenditure incurred.

Funding for capital expenditure is also agreed in the annual operational plan. The council assigns this funding under the direction of the Tūpuna Maunga Authority. Refer to Note 7 for detail.

Lease income

The Tūpuna Maunga Authority receives rental income from buildings and structures located on the Maunga and administered land.

Event income

Income is received for events in relation to the Maunga and is recognised when the event occurs.

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Statement of Accounting Policies For the year ended 30 June 2019

Employee related costs

Employee related costs are recorded as an expense when staff provide services and become entitled to wages, salaries, leave or other entitlements.

Employee related costs for staff dedicated to the management of Maunga activities are assigned to the Tūpuna Maunga Authority. The council also incurs employee related costs for staff involved in the areas of governance, property management and general corporate support of the Tūpuna Maunga Authority. These employee related costs are not assigned to the Tūpuna Maunga Authority.

Other Expenses

Expenditure is recognised when the good or service is received.

Other expenses include expenditure associated with Maunga related property maintenance, utilities and general consultancy.

Surplus/(deficit)

The council's funding is to a maximum of the Tūpuna Maunga Authority's net expenditure therefore no surplus or deficit is presented.

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**Notes to the Annual Financial Report
For the year ended 30 June 2019**

Note 1 : Analysis of revenue

Revenue Item	Analysis	This year \$	Last year \$
Council funding	Operational funding	2,963,591	2,952,378
	Total	2,963,591	2,952,378

Revenue Item	Analysis		
Lease income	Residential	54,364	53,707
	Commercial	175,171	155,265
	Other	29,625	24,376
	Total	259,160	233,348

Revenue Item	Analysis		
Event income	Event income	5,096	5,470
	Total	5,096	5,470

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**Notes to the Annual Financial Report
For the year ended 30 June 2019**

Note 2 : Analysis of expenses

Expense Item	Analysis	This year \$	Last year \$
Employee related costs	Salaries and wages	526,174	474,567
	Other personnel costs	68,766	54,479
	Total	594,940	529,046
Repairs, maintenance and Outsourced works and services	Maintenance	1,910,910	1,780,919
	Outsourced works	291,091	294,623
	Total	2,202,002	2,075,543
Professional services	Planning	134,727	122,883
	Design	19,229	121,630
	Property Management costs	61,532	45,895
	Other consultancy	134,883	148,388
	Total	350,371	438,796

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Note 3 to Note 7

Note 3: Other

There are no revenues with conditions which have not been recorded as a liability.

Note 4: Appointed member remuneration

Auckland Council is required to incur remuneration and expenses of members of the Tūpuna Maunga Authority appointed by a rūpū entity (s.62, Ngā Mana Whenua o Tāmaki Makaurau Collective Redress Act 2014). These expenses are to be incurred by Auckland Council in addition to any revenue and funding received by the Tūpuna Maunga Authority. The appointed member remuneration and expenses are not included in this annual financial report.

Note 5: Goods or services provided "in kind"

The Tūpuna Maunga Authority received administrative and specialist support services from Auckland Council at no charge.

Note 6: Related party transactions

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the Tūpuna Maunga Authority would have adopted in dealing with the party at arm's length in the same circumstances.

Note 7: Capital expenditure

Under the direction of Tūpuna Maunga Authority \$5.2m has been spent on capital projects for the Maunga (budget \$6.4m). The unused budget for these capital projects has been carried forward into future years.

Note 8: Events after balance date

No events have occurred after the balance date that would have a material impact on the annual financial report.